



Arlington Finance Committee

Date: Monday, March 11, 2024.

Time: 7:30-10:00pm.

Location: O'Neill Community Room, Public Safety Building, 112 Mystic Street, Arlington, MA.

Agenda

1. Discussion: Article 45 – Appropriation / Minuteman Regional Vocational Technical High School and Out of District Vocational Placements.
2. Review and approve minutes.
3. Review Budgets.
4. Other Business.

Members of the public are asked to send written comments to

tbradley@town.arlington.ma.us

Documents regarding agenda items will be made available via the Town's website.

By Christine Deshler, Finance Committee Chair

Reference 1: Minuteman Preliminary Assessments

Reference 2: FY25 Minuteman Presentation to Arlington FinCom

January 30, 2024

Jim Feeney, Town Manager
730 Massachusetts Ave.
Arlington, MA 02476

Dear Mr. Feeney,

The Minuteman Regional Vocational Technical School Committee approved preliminary assessments based on the 2025 Governor's Budget House 2 at its meeting on January 29th, 2024. Assessments have been calculated based on the minimum required contributions included in the 2025 State Budget. The Minuteman School Committee will review the final budget and assessment figures based on the final approved state budget. We will send notice of revised figures, if any, after that meeting.

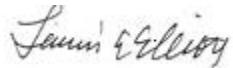
We have established the following schedule in compliance with the Minuteman School District Regional Agreement, Section IV-“Apportionment and Payment of Costs”, subsection (G)-“Times of Payment of Apportioned Costs”.

On or before August 1st, 2024	\$1,070,279		
On or before September 1st, 2024	\$1,070,278	25%	\$2,140,557
On or before October 1st, 2024	\$998,927		
On or before November 1st, 2024	\$998,927		
On or before December 1st, 2024	\$998,926	60%	\$5,137,337
On or before January 1st, 2025	\$428,112		
On or before February 1st, 2025	\$428,112		
On or before March 1st, 2025	\$428,111	75%	\$6,421,672
On or before April 1st, 2025	\$1,070,279		
On or before May 1st, 2025	\$1,070,278	100%	\$8,562,229
Total	\$8,562,229		

The FY25 budget book and assessments are posted on our website at www.minuteman.org.

Please consider this letter a request for payment according to the above schedule. If you have any questions about the assessment, please contact Nikki Andrade, Business Manager at nandrade@minuteman.org or 781-274-1033.

Respectfully,



Laurie Elliott
Treasurer

cc: Finance Committee Chair
 Board of Selectmen Chair



March 2024

Kevin F. Mahoney
*Interim Superintendent -
Director*

FY25 Superintendent Final Recommended Budget



Minuteman's Budget – Behind The Numbers

- Our Budget Priorities Reflect Our Values



Arlington Student Highlights

- Class of 2023:
 - *Valedictorian*: Alex Qazilbash was in the Engineering program. He was a member of our First Robotics Club and in the summer of 2022. Alex worked at Ascent Aerosystems. His Co-Op was at A9 Green- local Energy Star consulting firm. Alex volunteers for Bread of Life and has served as a tutor for the past 2 years.
 - Graduation: 22 Arlington graduates went on to 2- and 4-year colleges with many continuing to study in their CTE fields. 3 students have apprenticeships in Electrical and Plumbing. 1 student is headed into the military.
 - Colleges: Olin College, Regis College, Virginia Tech, Fordham, MCLA, Framingham State, Endicott, Colorado State, UMass Amherst, UMASS Boston, UMASS Lowell, Pace, Emerson, Johnson and Wales, Embry Riddle, UNH, and Syracuse
- Current Students: 215 in all 19 of Minuteman's Program Majors
- Co-Op: 27 Total Students Out - 25 Seniors and 2 Juniors
- Athletic Achievements:
 - Soccer: CAC League Co-MVP Branden Carta and CAC League All-Stars Shane Carta, Achol Manyang, Roman Treadwell and Reena Treadwell
 - Volleyball: CAC League All Dillen Pritchett
 - Basketball: CAC League All Star Sabina Doyle
- Skills USA National Champions - Brothers Dean, Gavin & John O'Brien



*Aoife Kinneen
Electrical Co-Op at Cummings
Going into the Electrical Union*

Arlington: Preliminary Assessment

Minimum Required Contribution	\$ 3,429,413
Transportation Assessment	\$ 226,605
Assessment over Min. Req. Contr.	\$ 2,582,687
Debt and Capital Assessment	<u>\$ 493,333</u>
Sub-Total	\$ 6,732,038
Building Project – Debt Service*	<u>\$ 1,830,191</u>
Total Assessment	<u>\$ 8,562,229</u>

**Debt Service excluded from Prop 2 ½ Limitation*

Overall Budget Summary

FY25 Operating & Capital Recommendation

\$31,517,219

3.96% above FY24

Budget Summary

FY25 Operating Recommendation = **\$24,160,849**
2.99% above FY24

FY25 Capital Recommendation = **\$1,660,508**
34.10% above FY24

FY25 Building Project Debt Recommendation = **\$5,695,863**
1.36% above FY24

Overall Budget Summary

FY25 Assessment to Member Towns

\$25,689,923

0.82% above FY24

FY25 Budget Drivers: Salary

- Collective Bargaining Agreement - 3.5% plus Steps and Lanes
- *Reduction of Assistant Director of CTE and Human Resources Position*
- Bring Back Grant Funded Positions cut during COVID
 - Library Aide, Health Tech Aide and Co-Op Coordinator
- Continued Funding of Foreign Language Teacher
- Athletic Trainer - Investment in Athletic Program
 - Support Training, Weightroom Management and MIAA Regulations

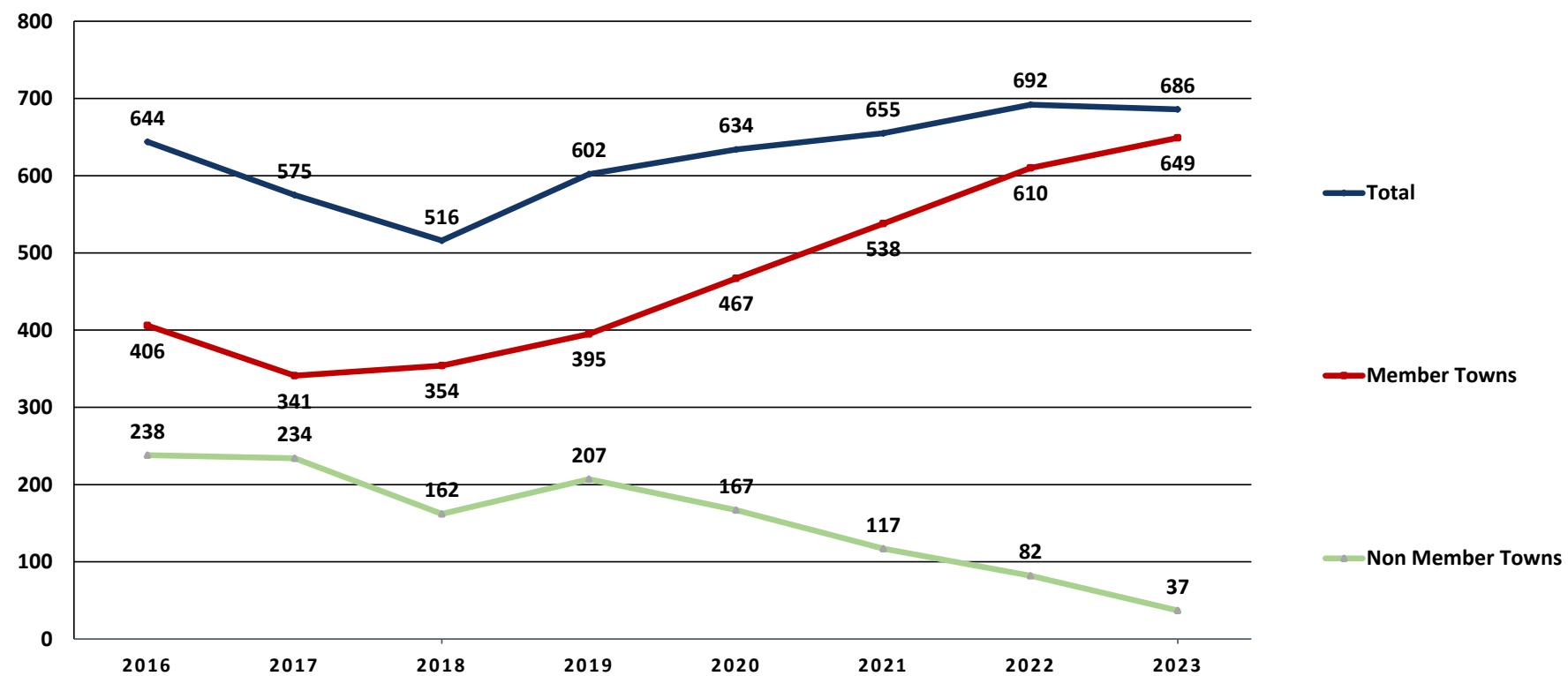
FY25 Budget Drivers: Non-Salary

- Transportation Increase - 5% CPI + Additional Day for 3:30PM Bus
- Utilities - Decrease Based on FY23 Actual Usage
- Health Insurance - Level Funded
 - Lower Than Anticipated FY24 Premiums
- Investment in Cybersecurity

FY25 Budget Drivers: Non-Salary

- Capital Stabilization - Funding \$850,000 = \$350,000 Increase from FY24
 - Projected Balance with FY25 Contribution: \$3,085,645
 - Building this Fund will position the District to maintain potential use of the campus and have funding prepared to mitigate future assessment increases.
- Debt Service - Athletic Field will not be Assessed to Member Towns
 - Offset will be funded from Facilities Revolving Account dependent on Rental Revenue Earned Each Year
- Other Post Employment Benefit (OPEB)
 - Contribution \$315,000 = \$85,000 Increase from FY24

Overall Enrollment as of October 1



Enrollment by Town as of October 1

	2027	2026	2025	2024	Subtotal
Acton	26	17	27	24	94
Arlington	45	61	60	49	215
Bolton	8	9	13	6	36
Concord	13	16	6	6	41
Dover	0	1	2	2	5
Lancaster	16	13	14	15	58
Lexington	27	23	15	17	82
Needham	17	11	10	8	46
Stow	22	16	19	15	72
Member City/Town	174	167	166	142	649
Declarants	0	1	2	9	12
Other Non-Member	0	1	12	13	25
TOTAL STUDENTS	174	169	180	164	686

Arlington Incoming Freshman: Class of 2028

- Slot Allocation for Arlington was 40. Admission was offered to all 65 that applied on Friday, 3/1/2024.
- The Top Choice Program is just a preliminary choice and is not binding to the student.
- Each student will still spend the first half of their freshman year going through Exploratory, where they will visit all 19 programs.
- The students choose their top 5 to then spend 2 additional weeks in each, to explore them deeper. 9th Graders make their final shop choice by the end of Quarter 2.

Top Choice Program	Student
Advanced Manufacturing	2
Animal Science	6
Automotive Technology	2
Biotechnology	4
Carpentry	6
Cosmetology	6
Culinary Arts and Hospitality	7
Design and Visual Communications	6
Early Education and Teaching	2
Electrical	7
Engineering	3
Environmental Science	1
Health Assisting	2
Horticulture and Plant Sciences	1
Multimedia Engineering	6
Plumbing	1
Programming and Web Development	2
Robotics	1
Grand Total	65

Arlington: Post October 1 Withdrawals/Transfers

- The number of post-October 1 withdrawals from Arlington typically follows the 5% withdrawal rate expected post-October 1 to the beginning of Semester 2 and then from Grade 10 to Grade 12.
 - Some data shown is for the graduating “Class of” is high side due to COVID.
- Minuteman rarely see transfers after the start of school as students are reluctant to change once they have started attending their new high school. Transfers for Grade 10 to Grade 12 are also rare generally due to availability within the shops.

Class of	Returned to AHS	Moved	Other	Total
2020	5	0	0	5
2021	8	1	2	11
2022	25	8	1	34
2023	30	14	1	45
2024	29	2	0	31
2025	17	6	0	23
2026	8	1	0	9
2027	1	0	0	1
Total	123	32	4	159

State Metric: Grade 9 Course Passing

- DESE tracks Grade 9 Course Passing and Minuteman's Passing Rate appears low.
- The reported failure rate in English Language Arts (ELA) was tracked to a coding error in one of our nongraded electives that 83 freshmen were assigned. This has been confirmed with DESE to be the issue and it has been corrected in our master schedule course coding. Only 9 freshman students received a failing grade in an ELA class.
- The actual pass rate is 94.5% for Grade 9 ELA and is consistent with the pass rates for History (98.9%), Math (97.8%), Science (99.4%), and all Other Elective Courses (99.5%).

Grade Nine Course Subject: English Language Arts

Student Group	# Grade Nine Students	# Passing All Courses	% Passing All Courses
All Students	182	87	47.8

Shift in Enrollment

- Enrollment is Shifting to In-District
- Out of District Enrollment is Decreasing
 - Out of District Tuition Revenue is Decreasing
 - Out of District Capital Fee Revenue is Decreasing
- **If this trend continues, this will result in an increase in Overall Assessments to Member Towns in FY2026 and FY2027**

FY26 and FY27 Budget Considerations

Tuition and Incremental Special Education Fee

- FY25 Assessment Offset- \$818,824 (Revenue for 37 Students: Being Collected in FY24)
- FY26 Assessment Offset- \$373,058 (Revenue for 16 Students: To Be Collected in FY25)
- FY27 Assessment Offset- \$53,392 (Revenue for 2 Students: To Be Collected in FY26)

Out of District Capital Fee

- FY25 Assessment Offset- \$277,084 (Revenue for 37 Students: Being Collected in FY24)
- FY26 Assessment Offset- \$110,305 (Revenue for 16 Students: To Be Collected in FY25)
- FY27 Assessment Offset- \$14,569 (Revenue for 2 Students: To Be Collected in FY26)

FY2025 Preliminary Assessments

Member Town	FY25 Preliminary Assessment	FY24 Preliminary Assessment	% Change	FY25 4 Year Rolling Average Enrollment	FY24 4 Year Rolling Average Enrollment	% Change
Acton	\$3,600,903	\$3,284,798	9.62%	78.75	65	21.2%
Arlington	\$8,562,229	\$8,932,916	-4.15%	199.25	181	10.1%
Bolton	\$1,325,147	\$1,199,459	10.48%	27.00	20.75	30.1%
Concord	\$1,732,805	\$1,641,695	5.55%	33.75	29.75	13.4%
Dover	\$269,420	\$248,626	8.36%	4.00	3.5	14.3%
Lancaster	\$2,138,738	\$2,379,621	-10.12%	55.25	54.5	1.4%
Lexington	\$3,406,394	\$3,501,977	-2.73%	74.75	69.5	7.6%
Needham	\$1,823,777	\$1,640,461	11.17%	35.75	29.75	20.2%
Stow	\$2,754,051	\$2,574,523	6.97%	59.25	50.25	17.9%
Total	\$25,689,923	\$25,481,911	0.82%	567.75	504	12.6%

Arlington: Historical Assessment Trends

Arlington	Total Assessment	% Change	4 Year Rolling Average Enrollment	% Change
FY2025	\$8,562,229	-4.1%	199.25	10.1%
FY2024	\$8,932,916	12.4%	181	15.7%
FY2023	\$7,947,938	17.0%	156.5	14.9%
FY2022	\$6,795,457	11.2%	136.25	10.3%

Per Pupil Cost Analysis

- Minuteman has the highest FY22 Per Pupil Expenditures of \$34,177 when compared to the 28 Vocational Technical School Districts.
- This is due to 3 Main Reasons:
 - Teacher Salaries
 - 3rd When Compared to Vocational Technical Schools
 - 3rd When Compared to Member Towns
 - Special Education Costs
 - Approximately 40% Students with Disabilities
 - Transportation
 - Geographic Size and Location

Other Future Assessment Impacts

FY25 Member Town Assessment Increase Lower than Typical Due To:

- Adjustment in Chapter 70 State Aid year over year. Moving forward, our budgets will reflect more consistency in State Aid.
- Declining Out of District Tuition and Capital Fee Revenue. This will increase Member Town Assessments over the next 3 years.
- First year implementation of Athletic Field Debt Service. This has decreased FY25 Member Town Assessments. This will be a consistent annual contribution to offset member assessments in the future.

FY2024 Budget – Chapter 70 Discussion

- FY2024 School Committee Voted Budget Chapter 70 Estimate - **\$2,197,552**
- FY2024 Governors Final Budget Chapter 70 - **\$2,978,763**
- FY2024 Budget Difference Between Chapter 70 - **(\$781,211)**
- **Impact on Member Towns**
 - Acton - \$100,752
 - Arlington - \$280,554
 - Bolton - \$32,163
 - Concord - \$46,113
 - Dover - \$5,423
 - Lancaster - \$84,477
 - Lexington - \$107,727
 - Needham - \$46,113
 - Stow - \$77,889
- **Total - \$781,211**

FY2024 Budget – Chapter 70 Discussion

Alternative Proposal

Current Plan - Finance Over Next 5 Years

Outstanding BAN	\$2,800,000
Est. MSBA Reimbursement	<u>\$2,235,000</u>
Balance To Be Financed	\$565,000

	FY2025	FY2026	FY2027	FY2028	FY2029	Total
Balance	565,000	462,000	362,000	262,000	162,000	-
Principal	103,000	100,000	100,000	100,000	162,000	565,000
5.5% Interest	77,000	25,410	19,910	14,410	8,910	145,640
Total	180,000	125,410	119,910	114,410	170,910	710,640

*Debt Excluded for 7 of 9 Member Towns
(Except Lexington and Needham)*

Alternative - Close Out School Building Project

Outstanding BAN	\$2,800,000
Est. MSBA Reimbursement	<u>\$2,235,000</u>
Balance To Be Financed	\$565,000
+ 4.25% Interest (January - June)	<u>\$50,000</u>
Total Required for Close Out	\$615,000

Results: Long Term Savings of \$145,000 In Interest

Est. Short Term BAN Interest (3 Months) \$30,000
FY2025 Budget Can Be Reduced \$150,000

Renovation of East Building

- Currently unoccupied building on campus
- Scope of work: \$7M to renovate 6,000 sq ft.
- Seeking partnership to build an Animal Science Clinic
 - 50% investments from the partnership to build out space
- Currently not sufficient space in the main building
- Currently located in temporary space in an adjacent building on Campus
- Similar partnership was proposed but never agreed upon
- Possible state grant funding to support Minuteman share
- Will not add additional seats or capacity

FY25 Operating and Capital

Budget	FY25	FY24	Difference	% Change
Operating Budget	24,160,849	23,458,597	702,252	2.99%
Capital Equipment/Leases/Athletic Fields (2)	<u>1,660,508</u>	<u>1,238,240</u>	<u>422,268</u>	<u>34.10%</u>
Subtotal	25,821,357	24,696,837	1,124,520	4.55%
Building Project - Debt Service (1)	<u>5,695,863</u>	<u>5,619,488</u>	<u>76,375</u>	<u>1.36%</u>
Total Operating & Capital Budget	31,517,219	30,316,325	1,200,894	3.96%

(1) A debt exclusion override was voted on this debt in the following towns: Acton, Arlington, Bolton, Concord, Dover, Lancaster, and Stow.

(2) Annual ESCO Lease assessments include the proportionate share due from the 6 towns that withdrew from the district effective July 1, 2017, and Belmont withdrawal effective July 1, 2020. This also includes the payment on a 20 year note for the Athletic Fields.

FY25 Non-Assessment Revenue

Non-Assessment Revenue	FY25	FY24	Difference	% Change
Chapter 70 Aid	2,998,383	2,197,552	800,831	36.44%
Chapter 71 Reg. Transportation Reimb.	969,305	807,615	161,690	20.02%
Prior Year Tuition	818,824	805,817	13,007	1.61%
Excess and Deficiency Fund	650,000	650,000	-	0.00%
Prior Year Nonresident Capital Fee	277,084	373,430	-96,346	-25.80%
Facilities Rental Revolving Revenue	<u>113,700</u>	<u>-</u>	<u>113,700</u>	<u>0.00%</u>
Total Non-Assessment Revenue	5,827,296	4,834,414	992,882	20.54%
Required Member Town Assessments	25,689,923	25,481,911	208,012	0.82%

Assessment Components

Assessment Allocation by Category	FY25	FY24	Difference	% Change
Minimum Required Contribution	10,709,440	9,820,826	888,614	9.05%
Transportation Budget	645,695	577,385	68,310	11.83%
ESCO Lease Assessment	582,808	566,290	16,518	2.92%
Capital Equipment/Leases/Athletic Fields	964,000	671,950	292,050	43.46%
Assessments over Minimum Contribution	7,369,202	8,599,402	-1,230,200	-14.31%
Building Project - Debt Assessment	<u>5,418,779</u>	<u>5,246,058</u>	<u>172,720</u>	<u>3.29%</u>
Total Assessments	25,689,923	25,481,911	208,012	0.82%



Thank you!
Questions?

